

# **Entrepreneurship**

## **Quarter 2 – Module 9**

### **Business Implementation**

This instructional material was collaboratively developed and reviewed by educators from public and private schools, colleges, and universities. We encourage teachers and other education stakeholders to email their feedback, comments, and recommendations to the Department of Education at [action @deped.gov.ph](mailto:action@deped.gov.ph)

We value your feedback and recommendations.



## What I Need to know

In this module, you will be able to practically implement your newly developed Business Plan. In which case, will help your target business most likely to succeed. Because this is where you will actually operate the business. Thus, selling your product/service to the potential customers.

You are expected to operate your own business and keep your business records to monitor the progress of your business operation.

This module covers learning competencies:

- Implementing the business plan
- Operating the business
- Selling the product
- Identifying reasons for keeping business records



## What I Know

Before starting with this module, let us see what you already know about implementing a business plan. Answer the questions below.

**Instruction:** Read the statements carefully then Write **True** if the statement is correct & write **False** if you think the answer is not correct.

1.	You go to the office of the Department of Industry (DTI) if you will register your corporation business.
2.	The office to visit when registering your solely owned business is Securities and Exchange Commission (SEC)
3.	You go to the Bureau of Internal Revenue when you get Tax Identification Number (TIN)
4.	Employers are the only one to pay contribution at the Social Security System(SSS)

5.	You cannot start your business without a consultant.
6.	Record keeping is not necessary in business operation
7.	Record keeping is beneficial to the owner
8.	The objective of the businessman should be clear
9.	Tasks before starting the business should have a time allotment
10.	Records are sources of documents
11.	Professional advices is necessary before starting the business
12.	Professional advice is not needed during the business operation
13.	Bookkeeping is only important to the accountant
14.	Record keeping can measure the profit and performance of the enterprise
15.	Recordkeeping can be both physical and electronics



### What's In

Before you proceed, let us first recall our previous lesson.

**Profit** is the amount you gain after selling your product. In computing your profit, you just simply follow this formula:

$$\text{Sales} - \text{Cost of Goods Sold} = \text{Gross Profit}$$

The **gross profit** represents the difference between net sales and cost of sales.

**Variable costs** are those things that change based on the amount of product being made and are incurred as a direct result of producing the product.

Variable costs include:

1. Materials used
2. Direct labor
3. Packaging
4. Freight
5. Plant supervisor salaries
6. Utilities for a plant or a warehouse
7. Depreciation expense on production equipment
8. Machinery

**Fixed costs** generally are more static in nature. They include:

1. Office expenses such as supplies, utilities, a telephone for the office, etc.
2. Salaries and wages of office staff, salespeople, officers and owners
3. Payroll taxes and employee benefits
4. Advertising, promotional and other sales expenses
5. Insurance
6. Auto expenses for salespeople
7. Professional fees
8. Rent



### **What's New**

Identify the services offered by the following offices to you as an entrepreneur.

1. Department of Trade and Industry (DTI)\_\_\_\_\_
2. Securities and Exchange Commission (SEC)\_\_\_\_\_
3. Bureau of Internal Revenue (BIR)\_\_\_\_\_
4. Mayor's Office\_\_\_\_\_
5. Social Security System (SSS)\_\_\_\_\_
6. Philhealth\_\_\_\_\_
7. Pag-ibig Fund\_\_\_\_\_



### **What is it?**

Answer the following questions:

1. As an entrepreneur, is it important to know the services offered by the offices mentioned above?

2. If your answer is YES, in what way that their services becomes important to you?
3. If your answer is NO, what makes their services unnecessary to you?
4. Do you think a business can last without availing the services of the said offices? Why? Or why not?

RUBRIC FOR ESSAY		
Content	The content was well-thought , guide questions were thoroughly answered	4
Organization	The paper was well-written with ideas easily conveyed to readers.	3
Development	Points are thoroughly developed	3
	<b>TOTAL</b>	10

**Guidelines for successful business plan implementation:**

1. **Objectives-** the entrepreneur should have a clear idea on what is his purpose of putting up his enterprise.
2. **Tasks-** this means that the entrepreneur must know what the tasks are he has to perform in order that his objectives will be realized.
3. **Time allocation-** This means that the entrepreneur should have a timetable or a schedule to follow every task, so that it will be accomplish on time and realize his objective.
4. **Progress-** This means that the entrepreneur should monitor the development of the tasks and the accomplishment of the objective.

In Operating a business, the entrepreneur should first consult professional for advices, like accountants or consultants from small enterprises. In your case, you can consult your teacher in entrepreneurship or anyone you think that could help you.

The following are the basic requirements to start a business in the Philippines:

- **Securities and Exchange Commission (SEC) Registration-**for partnership or Corporation
- **Department of Trade and Industry (DTI) Registration-** for your business tradename

- **Mayor's Business Permit**- for getting the license to operate in the city or municipality and payment of your local business taxes.
- **Bureau of Internal Revenue (BIR) Registration** - for getting TIN, official receipts and invoices, registering your books of accounts and paying your national Internal revenue taxes
- **SSS, PhilHealth, and Pag-Ibig Fund registration**- for registering yourself or company as an employer and for remitting your employees' contribution together with your employer's share

**Other steps to follow before operating a Business are as follows :**

1. **Set up an accounting system or hire an accountant.** Knowing how the business is doing financially is important for planning and survival.
2. **Advertise the business.** No one will buy the products or services if customers do not know that the company exists. You can make use of the social media.
3. **Secure insurance for the business.** Liability insurance protects the business in the event of litigation. Consider life and disability insurance, health insurance and fire insurance when you are leasing an office or storefront.

**Keeping Business Records**

Good record keeping can help protect the business, measure the performance and maximize profit.

Records are the source documents, both physical and electronic, that specify transaction dates and amounts, legal agreements and private customer and business details.

Developing system to log, store and dispose of records can benefit the business. A systematic recording allows you to;

- A. Plan and work more efficiently
- B. Meet legal and tax requirements
- C. Measure profit and performance
- D. Protect your rights, and
- E. Manage potential risks



### **What's More**

Try to look around in your community and identify the three (3) oldest existing businesses and find time to ask the owner on how did they started their business and sustain it until today.



### **What I Have Learned**

Implementing the Business Plan is not that easy. It needs to be registered to make it legal and record keeping gives a lot of benefits to the enterprise.



### **What I Can Do**

You are going to implement your business for one and a half month. Following the Business plan you have presented.

RUBRICS FOR THE BUSINESS PLAN IMPLEMENTATION		
Feasibility	The business is operated according to the plan.	50
Bookkeeping	The records are properly kept and accounted for	40
Profitability	The business is gaining as to its projected financial plan	10
	TOTAL	100



## Assessment

Now that you are finished accomplishing the module, let us check what you have learned. Answer the questions given below by encircling the letter of the correct answer.

1. Which office will you go to register your single owned business?
  - A. SEC
  - B. DTI
  - C. BIR
  - D. Mayor's Office
2. Which office do you visit to register partnership or corporation business?
  - A. SEC
  - B. DTI
  - C. BIR
  - D. Mayor's Office
3. To secure Tax Identification Number (TIN) , which office will you go?
  - A. SEC
  - B. DTI
  - C. BIR
  - D. Mayor's Office
4. SSS, Philhealth and Pag-ibig fund contributions is made by \_\_\_\_
  - A. Employees only
  - B. Employers only
  - C. Both Employees and Employers
  - D. None of the choices
5. Which of the following is not a step to follow before operating a business
  - A. Register your business
  - B. Set up accounting system
  - C. Advertise the business using Facebook
  - D. Selling the product
6. Which of the following is true?
  - A. Good record keeping is not important to the business owner
  - B. Good record keeping is important only to the accountant
  - C. Good record keeping gives benefits to the enterprise
  - D. Good record keeping gives no importance at all.
7. Which of the following is NOT a benefit to the enterprise?
  - A. Plan and work more efficiently
  - B. Meet legal and tax requirements
  - C. Can check if the business is doing good.
  - D. It cannot protect the rights of the owner

8. The objectives of the entrepreneur should be
- A. Specific and clear
  - B. Specific and long term
  - C. Short and blurred
  - D. Long and not specific
9. The tasks before operating the business must be \_\_\_\_
- A. Specified to be accomplished by the owner alone
  - B. In detail so that the owner will know what to do
  - C. Kept by the owner for future reference
  - D. None of the choices
10. The tasks to be accomplished before operating the business should have:
- A. Design
  - B. Decoration
  - C. Time allotment
  - D. Measurement
11. Which of the statements is true?
- A. Before starting a business the entrepreneur may not consult a professional for advice
  - B. Before starting a business the entrepreneur should consult a professional for advice
  - C. Before starting a business the entrepreneur must start selling when there are available buyers
  - D. None of the choices
12. To register your Business Trade name is done in the office of?
- A. SEC
  - B. DTI
  - C. Mayor's Office
  - D. Philhealth Office
13. The sources of documents are called?
- A. Income statement
  - B. Balance sheet
  - C. Record
  - D. Record Keeping
14. Which of the following is not a benefit of record keeping
- A. It will not help in managing potential risks
  - B. It will measure profit and performance
  - C. It will protect the rights of the owner
  - D. It will not let you know how much you are earning

15. Which of the following statements is true?

- A. Professional advice is only needed before starting the business
- B. Professional advice is needed all throughout the life of the business
- C. Professional advice is made only by consultants
- D. Professional advice is only a waste of money



### **Additional Activities**

Prepare a journal entry of all your business transactions. Give the benefits you get from keeping all your records.